

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

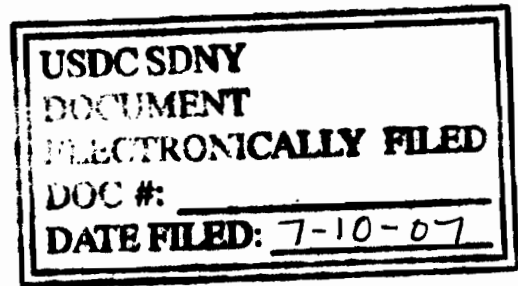
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YVES SAINT LAURENT PARFUMS S.A. and YSL
BEAUTÉ INC.,

Plaintiff,

- against -

COSTCO WHOLESALE CORPORATION.,

Defendant.
----- x



07 Civ. 3214 (LBS)

**REPORT OF RULE 26(F) CONFERENCE AND
PROPOSED DISCOVERY PLAN AND CASE MANAGEMENT SCHEDULE**

WHEREAS, in accordance with Fed. R. Civ. P. 16, this Court issued an Order for an Initial Pre-Trial Conference to take place on July 9, 2007 (the "Order"); and

WHEREAS, in accordance with Fed. R. Civ. P. 26(f), the parties have conferred to consider the nature and basis of their claims and defenses and the possibilities for the prompt settlement or resolution of the case; to arrange for the disclosures required by Fed. R. Civ. P. 26(a)(1); to discuss any issues relating to discovery of electronically stored information; and to develop a proposed discovery plan and case management schedule,

NOW, THEREFORE, the parties have jointly prepared and executed this Report of Rule 26(f) Conference and proposed discovery plan and case management schedule:

1. The parties exchanged initial disclosures on June 15, 2007.
2. Defendant has provided plaintiffs with a description of how it proposes to preserve and make discovery of electronically stored information ("ESI"). Plaintiffs are in the process of preparing their disclosures describing how they propose to make discovery of ESI.
3. Motions to join other parties or to amend pleadings shall be served on or before

July 16, 2007.

4. All discovery, including depositions of experts, shall be initiated in time so that discovery will be completed by October 31, 2007.

5. Expert reports with respect to any issue on which a party bears the burden of proof shall be served by September 14, 2007.

6. Expert reports with respect to any issue on which a party does not bear the burden of proof shall be served on or before October 17, 2007.

7. The parties agree that all drafts of expert reports are to be considered privileged and confidential and, therefore, will not be subject to discovery; provided, however, that documents or information furnished to, considered by, or generated by experts, including questionnaires or data, shall be fully discoverable.

8. Any documents withheld on the basis of privilege will be included in a privilege log to be served not later than thirty (30) days following the service of privilege objections. Privileged documents related to this litigation and generated subsequent to April 20, 2007, need not be logged.

9. Dispositive Motions shall be filed on or before November 15, 2007.

10. Plaintiffs will supply their pre-trial order materials to defendant by November 9, 2007.

11. Defendant will submit its pretrial order materials to plaintiffs by November 19, 2007.

12. The parties will submit a Joint Pretrial Order in accordance with the Court's individual practices on November 30, 2007.

13. The final pretrial conference will be held at a date to be set by the Court *MS*

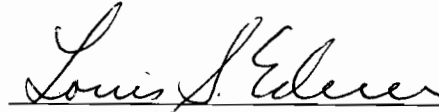
14. The trial of this action will be a bench trial. The parties anticipate that the trial will last for three days. The trial will begin ~~on~~ at an early to be set by the Court *MS*

STIPULATED AND AGREED:

ARNOLD & PORTER LLP

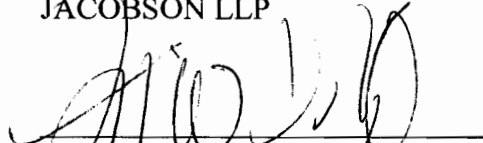
FRIED, FRANK, HARRIS, SHRIVER &
JACOBSON LLP

By:



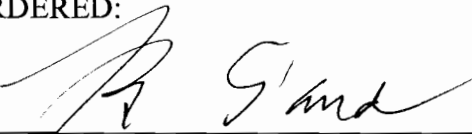
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SO ORDERED:



LEONARD B. SAND, U.S.D.J.

7/9/07